



United States Department of Agriculture
Risk Management Agency

April 2005

2005 COMMODITY INSURANCE FACT SHEET

Fresh Market Beans

Pilot Program: Virginia

Crop Insured

The insurance will cover snap beans, pole beans or wax beans grown for human consumption that are:

- Of a fresh market variety adapted to the county;
- Planted within the designated planting periods to be harvested and sold for fresh market; and
- Grown by someone who has grown fresh market beans for three previous crop years; or
- Grown by someone who has participated in managing a fresh market bean operation in the county.

Counties Available

Fresh market beans are insurable in **Accomack** and **Northampton** counties as part of a pilot program in selected States.

Causes of Loss

Adverse weather conditions¹
Earthquake
Failure of irrigation water supply²
Fire
Insects/disease³
Wildlife

¹Including hail, drought, excess moisture, freeze, frost, and wind. ²If due to an insurable cause of loss. ³But not on acreage following snap beans, lima beans, or green peas harvested in the same year.

Note: This policy does **not** cover loss of production due to (1) failure to harvest in a timely manner; (2) failure to market the beans (unless directly due to damage from an insured cause of loss); (3) any decrease in the market price for fresh market beans; (4) no replant provisions; or (5) stage guarantees.

Insurance Period

Coverage begins when the beans are planted (but not before the planting period) and will end at the earliest of: (1) total destruction of the crop, (2) harvest of the

beans, (3) final adjustment of a loss, (4) abandonment of the crop, (5) July 10, 2005 for Northampton County for spring crop or November 10, 2005 for fall crop, or (6) July 15, 2005 for Accomack County for spring crop or November 10, 2005 for fall crop.

Reporting Requirements

Acreage Report— By the acreage reporting date, you must report all the acreage of your fresh market beans in the county, including the date(s) the acreage was planted and the row width.

Important Dates

Spring Crop:

Sales Closing March 15, 2005
Planting Period March 25—May 15, 2005
Acreage Report Due..... May 31, 2005

Fall Crop:

Sales Closing March 15, 2005
Planting Period July 15—September 5, 2005
Acreage Report Due..... September 15, 2005

Definitions

Acreage Limitation Percent—The maximum allowable annual percentage increase in insured acres, as specified in the special provisions.

Allowable Cost— An allowance for actual harvesting costs (picking, grading, packing, hauling, etc.) not to exceed \$5.50 per 30-pound bushel/carton.

Bushel—Thirty pounds avoirdupois.

Crop Year— The period beginning with the first day of the spring planting period (March 25) continuing through the last day of insurance period for fall-planted beans (Oct. 31).

Market Price— The cash price per 30-pound bushel/carton of fresh market beans (U.S. No. 2 grade or better) offered in the area where you normally market your fresh market beans.

Minimum Value—A floor of \$2.60 per bushel/carton (30 pounds) is applied to harvested or appraised production.

Planting Period—The period of time designated in the actuarial documents in which fresh market beans must be planted to be considered fall, winter, or spring-planted fresh market beans.

Potential Production—The number of bushels of fresh market beans that will or would have been produced per acre by the end of the insurance period, assuming normal growth conditions and cultural practices.

Duties in the Event of Damage or Loss

(1) Protect the crop from further damage by providing sufficient care; (2) notify your agent within 72 hours of your initial discovery of damage; and (3) leave representative samples intact for each field of the damaged unit.

Price Elections

Price used to calculate your premium or indemnity:

Irrigated	
CAT Coverage	\$156 per acre
Minimum Amount of Coverage	\$283 per acre
Maximum Amount of Coverage	\$423 per acre

Non-Irrigated	
CAT Coverage	\$139 per acre
Minimum Amount of Coverage	\$253 per acre
Maximum Amount of Coverage	\$378 per acre

Price elections are posted on the RMA website at:
<http://www3.rma.usda.gov/apps/priceinquiry/>

Minimum Value Option

In lieu of section 17 of the fresh market bean crop provisions, minimum value option: There will be no minimum value options available for the 2005 crop year.

Coverage Levels and Premium Subsidies

Amount of Insurance

Insurance is provided against a decline in the amount of income due only to the perils named in the causes of loss section.

Coverage level options range from 50 to 75 percent of your amount of coverage and are subsidized as shown in the table below.

Item	Percent					
Coverage Level	50	55	60	65	70	75
Premium Subsidy	67	64	64	59	59	55
Your Premium Share	33	36	36	41	41	45

Catastrophic (CAT) coverage is fixed at 27.5 percent of the reference maximum price. CAT is 100 percent subsidized with no premium cost to you except for an administrative fee of \$100, regardless of the acreage.

Loss Example

This example is based on spring-planted, non-irrigated beans at 65-percent coverage level with one basic unit and 100-percent share.

100	Acres fresh market beans
x \$328	Amount of insurance per acre
\$32,800	Dollar guarantee
- \$10,000	Value of production (harvested and/or appraised)
\$22,800	Dollar loss (due to insured causes)
- \$1,200	Estimated premium (\$12 per acre)
\$21,600	Net indemnity

Download Copies from the Web

Visit our online publications/fact sheets page at:
<http://www.rma.usda.gov/pubs/#bfr>.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, and marital or familial status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.